

Bedeschi SpA
Via Praimbole, 38
35010 Limena (PD)
Italy

Att: CEO Rino Bedeschi

Rome, 08.02.2023

REGARDING OPERATION IN OCCUPIED WESTERN SAHARA

Dear Sirs

Western Sahara Resource Watch (WSRW) is privileged to write to you in view of our upcoming P for Plunder report. We refer to the announcement published on your website on 4 October 2022 called “Bedeschi new project in Morocco for OCP”. <https://www.bedeschi.com/2022/10/bedeschi-new-project-in-morocco-for-ocp/>

Considering the ever growing importance of ESG compliance for companies, investors and regulatory bodies, we would like to express our concerns and make you aware of the risks entailed by projects developed in Western Sahara with the only consent of Moroccan authorities.

The Western Sahara phosphate exports is highly controversial. The United Nations consider Western Sahara to be a Non-Self-Governing Territory without an administering power in place. As stipulated by the International Court of Justice and repeated in four consecutive rulings by the European Court of Justice, Morocco has no sovereignty over or international mandate to administer the territory. Nevertheless, Morocco continues to militarily control three-quarters of the territory, including the Bou Craa phosphate mines which are operated by Phosboucraa, a subsidiary of the Moroccan state-owned company OCP SA.

Incentivized by its exploitation of the territory’s resources, Morocco has little interest to genuinely take part in the UN-mediated peace process. Meanwhile, the lingering conflict continues to have a high human and humanitarian cost: over 170,000 Saharawis live in refugee camps in neighbouring Algeria, surviving in harsh desert conditions and dwindling humanitarian aid. Saharawis who live under the yoke of Morocco’s occupation are victims of serious human rights violations that have been reported by the UN Human Rights Committee, in addition to credible international organisations such as Human Rights Watch, Amnesty International, and others.

Several large fertilizer producers/traders which previously imported phosphate rock from the territory, have ended this relationship with the Bou Craa mine, due to matters of international law and human

rights. Those companies are described in our annual report on the phosphate exports from the territory, P for Plunder. Find our latest issue here: <https://wsrw.org/en/news/new-report-mexico-becoming-top-plunder-partner>

Also suppliers to the mine have terminated their involvement. Continental had a supply agreement with OCP for the Bou Craa conveyor belt, while Epiroc supplied drilling equipment. Both announced in the recent years that they had ended their involvement. Numerous of the two companies' investors engaged with these two companies over several years.

Based on this, WSRW has the following questions to Bedeschi:

1. How does Bedeschi interpret the legality of OCP's operations in Western Sahara?
2. Which country's legislation does Bedeschi believe applies in the territory?
3. Why has Bedeschi decided to ignore the rights of self-determination of the Saharawi people over their own phosphate rock?
4. Does the Bedeschi contract include an obligation to carry out maintenance in the occupied territory in the future? If yes, for how long?
5. Your website article suggests that the location of the operation is in "Moroccan Sahara" or "Morocco". Why has Bedeschi chosen to use such terminology, and not the one that is used by the United Nations, the Government of Italy, the African Union, the European Union, the EU Court of Justice, the International Court of Justice, the African Court of Peoples' and Human Rights?
6. We notice Bedeschi's announcement in 2021 of supplies to a manufacturing plant in Russia. Will Bedeschi potentially also consider working for Russian companies in Eastern Ukraine, and labelling those territories part of "Russia"?

Western Sahara Resource Watch is convinced that it is not in the interest of Bedeschi SpA to become associated with the continued colonization and occupation of Western Sahara. Constructing energy infrastructure in Western Sahara on behalf of the Government of Morocco risks to help legitimize the Moroccan military occupation of the territory, and will thus hinder the peace process.

Your company's involvement in the conflict will be mentioned in a separate news article on our website, and in the mentioned P for Plunder report. For that purpose, we hope to hear from you prior to 13 February 2023.

Looking forward to hearing from you,

Kind regards

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